

**SECRET**

CPO 2 - 4102

28 March 1956

MEMORANDUM FOR: Special Support Assistant to the  
Deputy Director (Support)

SUBJECT : Compliance with Administrative Plans

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1. With reference to the audit report of the [ ] Station for the period 1 July to 31 December 1955 sent to you [ ] attention is invited to paragraph 18 of the report which contains the following quote of a dispatch from Headquarters regarding an administrative plan:

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"While we finally agreed that the provisions outlined on the plan technically might be feasible to implement, we are strongly opposed in principle to this method of financial monitoring."

Administrative plans, in effect, replace regulations for the administering of projects to which they apply. Statements such as the above not only create a lack of respect for administrative plans and encourage the ignoring of their provisions, but also give the impression of a lack of unity at Headquarters. They should be discouraged.

2. The Chief of the Audit Staff in the course of field inspections and in review of audit reports has noted that field representatives often failed to comply with the provisions of existing administrative plans for projects and, when questioned as to the reason for the failure, have stated that in their opinion the plan was impracticable and could not be followed, yet they had made no effort to have the plan corrected. It is recommended that a specific provision be placed in Regulation [ ] to the effect that an administrative plan has the effect of regulations and will be followed by all concerned unless otherwise modified by Headquarters.

STATINTL

3. It is also recommended that some action be taken to stop such comments by operating personnel as is shown in paragraph 1 above.

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Chief, Audit Staff